



House of Representatives

General Assembly

File No. 611

February Session, 2000

Substitute House Bill No. 5173

House of Representatives, April 13, 2000

The Committee on Finance, Revenue and Bonding reported through REP. MCDONALD of the 148th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

An Act Concerning Connecticut's Working Lands.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22-26hh of the general statutes, as amended by
2 section 12 of public act 99-241, is repealed and the following is
3 substituted in lieu thereof:

4 The State Bond Commission shall have power, from time to time, to
5 authorize the issuance of bonds of the state in one or more series and
6 in principal amounts not exceeding in the aggregate [eighty-three] one
7 hundred thirty-three million seven hundred fifty thousand dollars, the
8 proceeds of which shall be used by the Commissioner of Agriculture
9 for the purposes of this chapter, provided not more than two million
10 dollars shall be used for the purposes of section 22-26jj. All provisions
11 of section 3-20, or the exercise of any right or power granted thereby
12 which are not inconsistent with the provisions of this section are
13 hereby adopted and shall apply to all bonds authorized by the State

14 Bond Commission pursuant to this section, and temporary notes in
15 anticipation of the money to be derived from the sale of any such
16 bonds so authorized may be issued in accordance with said section 3-
17 20 and from time to time renewed. Such bonds shall mature at such
18 time or times not exceeding twenty years from their respective dates as
19 may be provided in or pursuant to the resolution or resolutions of the
20 State Bond Commission authorizing such bonds. None of said bonds
21 shall be authorized except upon a finding by the State Bond
22 Commission that there has been filed with it a request for such
23 authorization, which is signed by or on behalf of the Secretary of the
24 Office of Policy and Management and states such terms and conditions
25 as said commission, in its discretion, may require. Said bonds issued
26 pursuant to this section shall be general obligations of the state and the
27 full faith and credit of the state of Connecticut are pledged for the
28 payment of the principal of and interest on said bonds as the same
29 become due, and accordingly and as part of the contract of the state
30 with the holders of said bonds, appropriation of all amounts necessary
31 for punctual payment of such principal and interest is hereby made,
32 and the Treasurer shall pay such principal and interest as the same
33 become due.

34 Sec. 2. This act shall take effect July 1, 2000.

FIN Committee Vote: Yea 35 Nay 9 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Cost

Affected Agencies: Department of Agriculture, Office of the State Treasurer

Municipal Impact: None

Explanation**State Impact:**

Authorizing an additional \$50 million in General Obligation bonds for the purchase of agricultural land development rights under the Farmland Preservation Program will result in an interest cost of \$32.8 million over 20 years, assuming a 6.25% interest rate. The unallocated balance of bonds previously authorized for the Program as of 4/7/00 is \$6,351,848.

The Farmland Preservation Program is currently negotiating with 14 farms, which represents a total of 2,330 acres. The estimated cost of purchasing development rights for these farms is \$6.9 million. The Program also has high priority applications for an additional 20 farms, which represents a total of 2,500 acres. The estimated cost of purchasing development rights for these farms is \$7.5 million.

OLR Bill Analysis

sHB 5173

AN ACT CONCERNING CONNECTICUT'S WORKING LANDS.**SUMMARY:**

This bill authorizes an additional \$50 million in a bond series for the farmland preservation program, increasing its total bond authorization to \$133.8 million. Under this program, the agricultural commissioner buys the rights to develop farmland for nonagricultural uses.

EFFECTIVE DATE: July 1, 2000

BACKGROUND***Legislative History***

The House referred the original version of this bill (File 77) to the Finance, Revenue and Bonding Committee on March 29. On April 5, Finance reported out its version, which dropped the deadlines by which the State Bond Commission had to authorize and allocate the bonds.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Report

Yea 16 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Substitute Report

Yea 35 Nay 9